

MEMORANDUM FOR: Chief, Management Support Staff, OLC

VIA: Deputy Director for Administration  
Director of Logistics

FROM: DCK

SUBJECT: Testimony by the Director of Logistics  
Before the ~~House~~ *Senate Government Affairs* Subcommittee on Federal  
Spending Practices and Open Government

1. As agreed in our meeting with Mr. Roman of the Subcommittee on Federal Spending Practices and Open Government on 7 May, we have attached an "opening statement" to be given by the Director of Logistics in his testimony before that subcommittee on 13 June 1979. This statement summarizes our disagreement with the General Services Administration (GSA) concerning the acquisition of security filing cabinets (safes) for use by this Agency both domestically and abroad. We believe this statement provides a more complete and balanced statement of the facts than that which is contained in the draft questions and answers originally suggested by Mr. Roman.

2. During the meeting Mr. Roman asked that we also provide information on the extent to which we procured safes directly from safe manufacturers other than Art Metal, the differences in prices of safes so procured, and any other dealings we have had with Art Metal. Regarding his first

question, we did procure safes from other manufacturers both under Federal Supply Service contract and directly, most frequently when the safes had to be modified to meet unique Agency requirements. The acquisition prices were those shown on the schedule or, in the case of unique requirements, the best negotiated price possible. Finally, regarding other dealings with Art Metal, we have procured furniture from them under schedule, but the scope has been very modest, as generally we procure from other manufacturers who are also on schedule. We are unaware of any major problems with Art Metal furniture so procured.

3. Please advise if we need provide additional information. As you suggested, we will leave <sup>to you</sup> coordination with the Office of General Counsel, ~~and~~ Public Affairs, ~~to you~~. *Inspector General, ~~and~~ and the DCI.* We would also suggest a meeting between you and personnel of our Supply and Procurement Divisions   *to ~~full~~ brief you in more detail ~~and~~ on the issues discussed in paragraph 2 above.* 25X1

Att

	1	2	3	4	5	6	7	8	9	10
	QNTY	Unit #	EXT	Acquired Date	ON FSS	Classified Content	Description	Remarks		
<i>Mosler</i>										
78-D-110495 GFB	15	2260	33900	10 Feb 75	Yes	Yes	KW7 Class 5	FSS Price Slightly High		
78-D-118030 GFB	6	2251	13500	14 Sep 78	No	Yes	KG34 Class 5	Open Market Agency Spec		
75-12086 PSCB	15	2447	26275	24 Oct 74	Yes	Yes	KW7 Class 5	FSS Price Agency Spec		
75-12133 PSCB	5	2483	12415		Yes	Yes	KG13 Class 5	Higher than FSS because of Agency Modification		
73-11138 CPB POL #7,500	144	39168	5640192	24 Apr 73	Yes	Yes	4 drawer, Class 6	4% below FSS Price		
73-11274 PSCB POL #7,500	144	39168	5640192	27 June 73	Yes	Yes	4 drawer, Class 6	4% below FSS Price		
73-9975 PSCB	20	125930	2518000	15 Feb 73	Yes	Yes	KW7, Class 5	4% below FSS Price AGENCY SPEC		
77-D-103460 CPB	10	2251	2551000	26 Aug 77	No	Yes	KG34 Class 5	Open Market Agency Spec		

	1	2	3	4	5	6	7	8	9	10
	Qty	Unit \$	Eft \$	Award Date	On FSS	Classified Contract	Description	Remarks		
<i>Deleted</i>										
73-9936 CPB	33	56975	1709250	29 Jan 73	Yes	Yes	2 Drawer, Class 5	1% Below FSS Price		
	15	87183	1307745				4 Drawer, " "	" " " "		
<i>Total</i>			3016995							
73-11241 CPD	29	87183	2503024	20 Jan 73	Yes	Yes	4 Drawer, Class 5	1% Below FSS Price		
69-5284 CPB	59	44031	2201550	26 June 69	Yes	Yes	2 Drawer, Class 5	4% Below FSS Price		
	45	61468	2765610				4 Drawer, " "	" " " "		
<i>Note All scheduled for overseas</i>										

RET/CN	RC/SCOPE	RC/ATOT
0.....	0.....	0.....
70*V111489*001	SECURITY CABINET	33264.00
70*0005398*000	FOUR DRAWER SECURITY CABINETS	43715.00
72*V100283*001	MAINT OF SHELF FILE	1508.00
71*V400283*004	MAINT POWER SHELF FILES	1676.00
69*0005284*000	SECURITY FILING CABINET	52059.00
70*V400283*004	MAINT OF DIEBOLD POWER SHELF FILE	1127.00
70*1013740*000	SAFE-T-STAK STEEL FILES & PARTS	3143.00
73*1002089*000	CASHBOX	2700.00
71*V300283*003	MAINT OF DIEBOLD POWER SHELF FILE	2920.00
70*V300283*003	MAINT POWER SHELF FILES	921.00
70*0005512*000	CLASS 5F SECURITY CABINETS	74615.00
70*0005463*000	4-DRAWER SAFES	63361.00
72*V400283*004	MAINT OF SHELF FILE	1676.00
70*1003242*000	SAFE-T-STAK FILES & ACCESSORIES	2947.00
69*1003630*000	FILING CABINET COMBINATION LOCK	5258.00
71*V200283*002	MAINT ELEVATOR FILES	335.00
70*V200283*002	MAINT OF POWER SHELF FILE	225.00
72*V300283*003	MAINT OF POWER SHELF FILE	1450.00
70*1012933*000	DATA-VEYOR	6145.00
69*1006754*000	INSULATED FILE CABINETS	14066.00
72*3005650*000	DISASSEMBLE TRANSPORT & REASSEMBLE FILES	7967.00
71*V100283*001	MAINT POWER SHELF FILES	1508.00
70*V100283*001	POWER SHELF FILE MDL 107A6	1014.00
72*V200283*002	MAINT OF SHELF FILE	335.00
69*0005124*000	CLASS 5 FILING CABINETS	54652.00
69*2000283*000	MONTHLY INSPECTIONS & REPAIR CALLS	3287.00
68*2000283*000	MAINT POWER SHELF FILES	3456.00
67*1011414*000	SECURITY VAULT DOOR-RT & LEFT HAND SWNGS	4893.00
70*0005372*000	2 & 4 DRAWER CLASS 5 SECURITY FILES	91288.00

COMPLETED 424486.000 STATUS 29.29

CHTRCTR/VNDR: 00292  
CV/NAME: DIEBOLD INC  
CV/ADDR: 1834 WISCONSIN AVE N W  
CV/CITY: WASHINGTON  
CV/STATE: DC  
COMPLETED 427101.000 STATUS 1.1

RET/CN	RC/SCOPE	RC/ATOT
0.....	0.....	0.....
73*1011241*000	SECURITY CABINETS	25030.00
74*1002486*000	FILING CABINET	43173.00
73*0009938*000	SECURITY CABINETS	29664.00
74*1001890*000	FILING CABINET	17269.00
72*1012441*000	TAB FILE	5296.00
74*1001672*000	FILING CABINET W/COMB LOCK	17269.00
71*0005953*000	CABINETS SECURITY	97801.00
74*1002227*000	FILING CABINET	5691.00
74*1002703*000	FILING CABINET	17269.00
73*0009761*000	CABINETS SECURITY 4-DRAWER	50400.00

COMPLETED 425318.000 STATUS 10.10

CHTRCTR/VNDR: 00292A  
CV/NAME: DIEBOLD INC  
CV/ADDR: 1550 GRAND BOULEVARD  
CV/CITY: HAMILTON  
CV/STATE: OH  
COMPLETED 427111.000 STATUS 1.1

SUBJECT: Hillside Class V, Class VI Filing Cabinets

7. To the best of my knowledge, the aforementioned Hillside (130 Class VI 2 drawer and 60 Class V 4 drawer) are the only units the Agency procured. Competitive pressure exerted by Hillside since 1970 prompted the Agency to buy 2 more cabinets for test and evaluation purposes only. We ran a test and found them to also be inferior and recommended the Agency not purchase any more Hillside equipment. Hillside Metal Products bought out Art Metal Products approximately two years ago (1976) and retained the Art Metal name. //

atts a/s

DISTRIBUTION:

- Orig - Addressee w/att
- 1 - OL/SD/CD w/o att
- 1 - OL/SD/CD/MFB w/att
- 1 - OL/SD/CD/MFB/SH&SS w/att

OL/SD/CD/MFB: [redacted] (29 September 1978)

DAILY ACTIVITY REPORT

13 May 1976

SUPPLY DIVISION ITEM OF INTEREST

A stock replenishment requisition for 32 Class <sup>five</sup>SE<sup>6</sup> four-drawer filing cabinets (safes) with 3-way combination locks was placed with General Services Administration (GSA) several weeks ago. Since the Mosler Class <sup>6</sup>SE, with hand change lock, was on Federal Supply Schedule, the Mosler Model was specified for procurement.

We have now been advised that GSA did not place an order for the Mosler safes but elected to request bids on the 32 safes. GSA advises that Art Metal Products submitted the low bid. Art Metal Products recently acquired the assets of Hillside Products, the previous safe manufacturer.

We have had two "Hillside" safes on order since August 1975 for the purpose of test and evaluation. Several delays have been encountered in trying to obtain delivery. GSA recently advised us that a stop order had been placed on these two safes ostensibly because of the merger between Art Metal Products and Hillside. However, the matter is being pursued further. (WE HAVE SINCE BEEN ADVISED TWO WEEKS DELIVERY FROM 13 MAY 1976) JAP

In the interim we are requesting GSA to withhold procurement of the 32 safes mentioned above since we have had problems with Hillside safes in the past and because of the uncertainty of delivery on 2 safes from Hillside since last August. Further

BECAUSE OF MAX. OF \$15,000 REQUIRES GSA TO SOLICIT BIDS) (MAXIMUM ORDER LIMITATION)

	1	2	3	4	5	6	7	8	9	10
	QNTY	Unit #	EXT	Acquired Date	ON FSS	Classified Contol	Disposition			
Mosler										
78-D-110495 CPB	15	2260	33700	1 Oct 75	Yes	Yes	KW7 Class 5			4% below FSS since
76-D-113030 CPB	6	2251	13500	14 Sep 78	No	Yes	KG 34 Class 5			Open Market Agency Spec
75-12086 PSCB	15	2447	26275	24 Oct 74	Yes	Yes	KW7 Class 5			FSS Price Agency Spec
75-12133 PSCB	5	2483	12415		Yes	Yes	KG 13 Class 5			Higher than FSS because of Agency Modification
73-11128 CPB NOL \$7,500	144	39166	5640192	24 Apr 73	Yes	Yes	4 drawer, Class 6			4% below FSS since
73-11274 PSCB NOL \$7,500	144	39168	5640192	27 June 73	Yes	Yes	4 drawer, Class 6			4% below FSS since
73-9975 PSCB	20	125930	2515600	15 Feb 73	Yes	Yes	KW 7, Class 5			4% below FSS since AGENCY SPEC
77-D-103460 CPB	10	2251	2551000	26 Aug 77	No	Yes	KG 34 Class 5			Open Market Agency Spec



	1	2	3	4	5	6	7	8	9	10
	Qty	Unit \$	Eft \$	Award Date	On FSS	Classified Contract	Description	Remarks		
<i>Diebold</i>										
73-9936 CPB	33	56.975	17092.50	29 Jan 73	Yes	Yes	2 Drawer, Class 5	1% Below FSS Price		
	15	871.83	13077.45				4 Drawer, " "	" " " "		
<i>Total</i>			30169.95							
73-11241 CPB	29	871.83	25400.87	20 June 73	Yes	Yes	4 Drawer, Class 5	1% Below FSS Price		
69-5284 CPB	50	44.031	22015.50	26 June 69	Yes	Yes	2 Drawer, Class 5	4% Below FSS Price		
	45	614.56	27656.10				4 Drawer, " "	" " " "		
<i>Note All scheduled for overseas</i>										

CNRCTR/VNDR: 00626A

Approved For Release 2003/05/06 : CIA-RDP87-00558R000100040004-9

CV/NAME: MOSLER SAFE COMPANY MOSLER ELECTRONIC SYSTEMS DIV

CV/ADDR: 1401 WILSON BLVD

CV/CITY: ARLINGTON

CV/STATE: VA

RET/CN

RC/SCOPE

MC/ATOT

MC/PR/UNIT

0.....	0.....	U.....	U.....
65*4002747*000	SECURITY BOX <i>destroyed</i>	12277.00	PU/P&S
72*1003325*000	SECURITY CABINETS CLASS 6 <i>destroyed</i>	55216.00	PU/GP
70*0005535*000	CLASS 6 SECURITY FILING CABINETS <i>destroyed</i>	52011.00	PU/GP
75*0012133*000	MOSLER SAFES - MODIFIED	12415.00	PU/P&S
69*1002548*000	VAULT DOOR	9814.00	PU/GP
71*0005701*000	FILING CABINETS SECURITY <i>destroyed</i>	34546.00	PU/GP
71*1002012*000	VAULT DOOR	6972.00	PU/GP
72*1002633*000	ALARM MONITOR MODEL AL-31	0.00	PU/GP
70*1002543*000	VAULT DOOR & FLANGE SETS	8412.00	PU/GP
70*0005408*000	FILING CABINET <i>destroyed</i>	63508.00	PU/P&S
70*1018585*000	SHELF FILING	3271.00	PU/GP
68*2000133*000	REPAIR SERVICE FOR GOVT OWNED EQUIPMENT	3500.00	PU/GP
75*0011274*000	FILING CABINETS	56402.00	PU/P&S
71*1001697*000	VAULT DOOR	6470.00	PU/GP
72*10101510*001	ALARM MONITOR	5040.00	PU/GP
72*0009212*000	COMBINATION LOCK CABINET <i>destroyed</i>	50400.00	PU/P&S
75*1011148*000	SECURITY FILE CABINET	56402.00	PU/GP
68*0004801*000	CL 5 MAP & PLAN CABINET W/SPECL INTERIOR	23795.00	PU/GP
69*1002948*000	VAULT DOOR	8412.00	PU/GP
72*1005726*000	VAULT DOORS	3486.00	PU/GP
71*0009010*000	CABINETS SECURITY MAP & PLAN <i>destroyed</i>	26680.00	PU/GP
75*0011138*000	SECURITY FILE CABINET	56401.00	PU/GP
69*1025524*000	SPECIAL VAULT DOORS	11660.00	PU/GP
75*0012086*000	FILING CABINET	26325.00	PU/P&S
70*1002724*000	VAULT DOOR & FLANGES	7010.00	PU/GP
72*1001631*000	VAULT DOORS & FLANGES	11620.00	PU/GP
71*1002571*000	DOOR VAULT	5810.00	PU/GP
71*0009008*000	SECURITY CABINETS CLASS 6 <i>destroyed</i>	66500.00	PU/GP
69*4003121*000	INTRUSION ALARM SYSTEM BUDD BLUG	4509.00	PU/P&S
72*1001705*000	ALARM MONITOR	3000.00	PU/GP
70*0002023*003	ALARM MONITOR MODEL AL-31	10000.00	PU/GP
72*0009317*000	DOOR VAULT FLANGE SETS	67742.00	PU/P&S
72*1003796*000	SAFE CLASS 5	15008.00	PU/GP
71*1002656*000	ALARM MONITOR MODEL A-31	3000.00	PU/GP
71*1003104*000	VAULT DOOR & FLANGE SETS	4684.00	PU/GP
75*0009975*000	SAFES	25186.00	PU/P&S

COMPLETED 427247.000

STATUS 36.89

Approved For Release 2003/05/06 : CIA-RDP87-00558R000100040004-9

CV/NAME: MOSLER SAFE COMPANY MOSLER RESEARCH PRODUCTS  
 CV/ADDR: 1401 WILSON BLVD  
 CV/CITY: ARLINGTON  
 CV/STATE: VA

RET/CN	KC/SCOPE	KC/ATOT	KC/PR/UNIT
0.....	0.....	0.....	0.....
68*1003909*000	ALARM SET	3750.00	PD/GP
68*4003042*000	ULTRASONIC ALARM SYSTEM	3541.00	PD/P&S
67*1028285*000	PANELS	3488.00	PD/GP
67*4002988*000	FIRE DETCTN & SECURITY ALARM BLDG	35000.00	PD/P&S
COMPLETED 427362.000 STATUS 4*4			

CNTXCTR/VNDR: 00626C  
 CV/NAME: MOSLER SAFE COMPANY  
 CV/ADDR: 1561 GRAND BLVD  
 CV/CITY: HAMILTON  
 CV/STATE: OH

CV/ICN: 72\*0009603\*000  
 COMPLETED 427374.000 STATUS 1\*1

RET/CN	KC/SCOPE	KC/ATOT	KC/PR/UNIT
0.....	0.....	0.....	0.....
72*0009603*000	ENG MODEL OF IMPLANT SAFE	7925.00	OTS/P
COMPLETED 427384.000 STATUS 1*1			

CNTXCTR/VNDR: 00626D  
 CV/NAME: MOSLER GOVERNMENT SALES  
 CV/ADDR: 1401 WILSON BLVD  
 CV/CITY: ARLINGTON  
 CV/STATE: VA

CONTRACT	CN/SCOPE	CN/ATOT	CN/PR/UNIT
0.....	0.....	0.....	0.....
77*0103460*000	SAFE, DESIGNED FOR KG-34 GENERATOR	22510.00	PD/GP
78*0110495*000	FILING CABINETS-CLASS 5 MAP & PLAN FILE	35900.00	PD/GP
78*0113030*000	SAFE, KG-34 (SPECIAL SIZE)	13506.00	PD/GP
COMPLETED 427414.000 STATUS 3*3			

Order #	Qty	Cost	Date	Op. Unit # of \$5's	Classifi- cation	Description
U13/T30244	1	447.70	10 Aug 76	Com.	Classified	Security Cabinet Door -
	2	3.15	"	"	"	Hinge Pins -
T306800	1	6,350.00	2 Sept 76	OM	Un -	Vault Door
T3048300	Parts	165.60	18 Sept 76	O.M.	Un -	Next - Alter - Pin
T3047600	6	3,900.00	20 Sept 76	FSS	Un -	Legal Lib Cabinet 5-drawer
U13/T300220	8	14,320.00	28 Sept 76	FSS	Classified	Vault Door
U13/T3002300	8	14,320.00	30 Sept 76	FSS	Classified	Vault Doors
			END -			

Mosler FY 77

Page 1-

Order #	Qty	Unit	Date	Amount FSS	Classifi- cation	Description
730066	20	11,700.00	27 Oct 76	FSS	Un -	Filing Cabinet - 4-Drawer
730067	10	6,500.00	26 Oct 76	FSS	Un -	Filing Cabinet - 5 Drawer
730068	10	6,500.00	26 Oct 76	FSS	Un -	" "
730289	10	6,500.00	16 Nov 76	FSS	Un -	" "
710408	6	294.00	2 Feb 77	O.M.	Un -	Shelvin Drawer
	30	420.00	"	"	"	Cross-Trays -
730706	20	8,200.00	5 Feb 77	FSS	Un -	Filing Cabinet - 2-drawers
731214	24	14,040.00	28 Feb 77	FSS	Un -	Filing Cabinet - 4-drawers
731195	10	5,800.00	2 Mar 77	FSS	Un -	" "
731280	4	232.00	7 Mar 77	FSS	Un -	Drawer (comp.)
	3	90.00	"	"	"	Binder Insert
731372	30	17,550.00	15 Mar 77	FSS	Un.	"Legal" Filing Cabinet 4-Drawer
731373	4	2,050.00	15 Mar 77	FSS	Un.	"Legal" Filing Cabinet 2-Drawer
U01/731522	25	14,625.00	25 Mar 77	FSS	Classified	Security File Cabinet - 4 drawers
U01/731674	600	636.00	8 Apr 77	FSS	Classified	Locks, drawers - Inserts -

(Cont)

<u>Moscow FY 77</u>							Page - 2 -	
Order #	Qty	Unit	Date	Spec Unit Price	Classif cation	Description		
U13/731769	1	180.00	19 Apr 77	FSS	Classified	Security Locker		
	4	60.00	"	"	"	Cross Tray Smt.		
731982	12	4,920.00	6 May 77	FSS	Un -	Legal "File Cabinet 2-drawer		
U13/731968	20	1,160.00	9 May 77	FSS	Classified	Drawers -		
U13/731977	13	22,608.56	11 May 77	FSS	Classified	Vault Doors		
732185	5	3,250.00	24 May 77	FSS	Un -	Legal "File Cabinet 5-drawer		
732187	5	3,250.00	23 May 77	FSS	Un -	Legal "File Cabinet 5-drawers-		
713066	1	1,685.00	24 May 77	<del>FSS</del>	Un -	Vault Door		
732184	30	17,550.00	24 May 77	FSS	Un -	Legal "File Cabinet 4-drawers		
732183	30	17,550.00	24 May 77	FSS	Un -	Legal "File Cabinet 4-drawer		
U13/732308	1	1,696.00	15 June 77	FSS	Classified	Vault Door -		
	1	94.10	"	"	"	Export Packaging		
<del>U13/732308</del>								
732498	24	14,040.00	8 July 77	FSS	Un -	Legal "File Cabinet 4-drawer		
U13/732715	3	540.00	1 Aug 77	FSS	Classified	Security Locker		
	5	290.00	"	"	"	drawers -		
732725	Parts	206.10	9 Aug 77	FSS	Un -	Packaging Mags 1 blue cabinet		

Approved For Release 2003/05/06 : CIA-RDP87-00558R000100040004-9

Order #	Qty	Unit	Date	per month FSS	Classi fication	Description
810273	24	265.00	2 Nov. 77	OM	Un -	Master Lock
U04/830176	16	156.00	3 Nov 77	FSS	Classified	Cross-Tree Inserts
830447	7	5,125.22	9 Dec 77	FSS	Un -	"Legal" File Cabinet 5-drawers -
830445	30	19,526.10	12 Dec 77	FSS	Un -	"Legal" File Cabinet 4-drawer
U04/830429	1	576.00	6 Dec 77	FSS	Classified	Day Date - 4/40 adult Door.
	1	50.00	"	"	"	Flange Set.
810236	1	8.15	15 Dec 77	OM	Un -	Illinois Lock
	1	145.55	"	"	"	Escape Mechanism
	1	331.95	"	"	"	Lock Box
U04/830446	10	7,389.20	15 Dec 77	FSS	Classified	Legal Size Filing Cabinet - 5 Drawer
U04/830532	1	39.00	16 Dec 77	FSS	Classified	Vertical Channels for Map & Photo Cabinet
830692	4	90.00	28 Dec 77	FSS	Un -	adjustable shelves
	1	39.00	"	"	"	Vertical Channels
U04/830652	25	16,775.00	3 Jan 78	FSS	Classified	"Legal" File Cabinet - 4 Drawer
830653	2	100.00	18 Jan 78	FSS	Un -	Flange Set
830909	6	2,678.94	26 Jan 78	FSS	Un.	"Legal" File Cabinet 2 drawer

(Cont)



Mosier - FY 78

Page - 2 -

Order #	Qty	Unit	Date	open market or FSS	Classification	Description
U04/830907	35	22,780.45	23 Jan 78	FSS	Classified	"Legal" File Cabinet 4-drawer
830908	10	7,389.20	3 Feb 78	FSS	Un -	"Legal" File Cabinet 5-drawer
U04/831180	1	1,105.00	17 Feb 78	FSS	Classified	Mapt Pless Cabinet Vertical Channels
	1	39.00	"	"	"	
U04/831462	1	62.00	16 Mar 78	FSS	Classified	drawer Part
831511	35	22,780.45	21 Mar 78	FSS	Un -	"Legal" File Cabinet 4-drawer
831578	30	21,941.40	22 Mar 78	FSS	Un -	"Legal" File Cabinet 5-drawer
831653	20	8,839.60	31 Mar 78	FSS	Un -	"Legal" File Cabinet 2-drawer
U04/831570	12	5,357.88	4 Apr 78	FSS	Classified	"Legal" File Cabinet 2-drawer
831728	1	576.00	5 Apr 78	FSS	Un -	Day Date #10/W Vault Door
U04/831740	5	195.00	10 Apr 78	FSS	Classified	Vertical Channel
831705	1	296.00	13 Apr 78	FSS	Un -	File Cabinet - Special
U04/831797	2	390.06	13 Apr 78	FSS	Classified	Security Locker
U04/831794	8	7,088.40	18 Apr 78	FSS	Classified	Mapt Pless Cabinet
U04/831801	2	370.00	19 Apr 78	FSS	Classified	Security Locker (cont)

Moscow FY 78						
Order #	Qty	Unit	Date	Price \$SS	Classifi cation	Description
U04/831692	4	80.00	24 Apr 78	FSS	Classified	Shelves f/w Map Cabinet
U04/831462-	2	390.00	24 Apr 78	FSS	"	Security Locker
U04/831979	5	2,255.00	3 May 78	FSS	"	Filing Cabinet - 2 Draw
831978	5	2,255.00	2 May 78	FSS	Un -	" " "
831984	20	13,151.60	2 May 78	FSS	Un -	" " - 4 Draw
U04/831886	1	160.10	9 May 78	O.M.	Classified	Escape Mechanism f/w/w. Mount Door
832344	24	306.00	26 June 78	O.M.	Un -	Elastic Wheels - Hand Change -
U04/832431	2	390.00	28 June 78	FSS	Classified	Security Lockers
	2	124.00	"	"	"	Susp. Drawer
U04/832461	1	576.00	28 June 78	FSS	"	Day Gate f/w/w. <sup>Vault</sup> Door
832386	37	24,082.19	29 June 78	FSS	Un -	Filing Cabinet - 4 Drawer -
U04/83177-	2	44.00	11 July 78	FSS	Classified	Triple Row Inserts
812319	Parts	4,294.80	19 July 78	O.M.	Un -	Parts
832505	1	8.95	9 Aug 78	O.M.	Un.	Key Lock
U04/832912	2	390.00	10 Aug 78	FSS	Classified	Security Locker
833013	24	306.00	16 Aug 78	O.M.	Un -	Wheel Pack Parts
U04/833191	30	19,526.00	18 Sep 78	FSS	Classified	Filing Cabinet - 4 Drawer

Mosher FY 78

Page - 4 -

Order #	Qty	Cost	Date	Special Market #	Classifi- cation	Description
U04/833193	15	6,697.35	21 Sept 78	FSS	Classified	Filing Cabinet - 2 drawers -
812319-A-1	14	3,241.00	21 Dec 78	O.M.	Un -	Escape Mechanism
	6	25.80	"	"	"	Handle. Arter

- END -

MOSLER

FY 79

Order #	Qty	Unit	Date	on #55	Classification	Description
931396	25	550.00	12 Mar 79	FSS	Un -	Mapt Blano Filing Cab- inet
931531	20	16, #12.40	16 Mar 79	FSS	Un	Five drawer Filing Cabinet
U04/930918	8	14,135.52	9 Feb 79	FSS	Classified	Vault Door
931220	72	936.00	6 Feb 79	FSS	Un.	Parti-Tray Insects.
U04/931186	10	390.00	7 Feb 79	FSS	Classified	Mapt Blano Cabinet
U04/931222	10	1,950.00	7 Feb 79	FSS	"	" " "
U04/931214	25	18,284.00	12 Feb 79	FSS	"	"Legal" size Filing Cabinet - 4 Drawer
931228	33	24,135.54	20 Feb 79	FSS	Un -	" " "
U04/930899	1	576.00	17 Jan 79	FSS	Classified	Day Gate - #10/w Mosler Vault Door
U04/930597	5	8,844.10	27 Dec 78	FSS	Classified	Vault Door
930596	33	24,135.54	26 Dec 78	FSS	Un -	"Legal" size Filing Cabinet - 4 drawer
930349	33	24,135.54	29 Nov 78	FSS	Un -	" "

- END -

Approved For Release 2003/05/06 : CIA-RDP87-00558R000100040004-9  
 Open Market  
 GS#- FSS Yes  
 FSS NO

Order No.	Qty.	Amount	Date	FSS	Classification	Description
DIEBOLD						
U01/73161400	1	1,517.00	4/1/77	Yes	Classified	Security cabinet 4- drawer
U/01/73166200	8	11,776.00	4/7/77	Yes	Classified	Filing Cabinet 4- drawer Level "A" Packing
U01/73163200	2	801.62	4/7/77	No	Classified	Drawer
U01/73137700	10	14,720.00	3/25/77	Yes	Classified	filing cabinet (4 drawer) Level "A" Packing
U01/73137500	10	13,488.50	3/15/77	Yes	Classified	Filing Cabinet (4 drawers)
U01/73137600	10	13,488.50	3/17/77	Yes	Classified	filing cabinet (4 drawer)
73095900	1	1,417.00	2/2/77	Yes	Unclassified	filing cabinet
71066400	parts	2,879.06	11/15/77	No	Unclassified	sprocket, motor, chain drive, link, cam Arm, trunnion, magnet, safety module, etc.

DIEBOLD

Approved For Release 2003/05/06 : CIA-RDP87-00558R000100040004-9

Order No.	Qty.	Amount	Date	FSS	Classification	Description
U04/73301200	2	3,010.00	9/14/77	Yes	Classified	Filing Cabinet
	2					Export Packing
U/04/73301100	2	3,010.00	9/14/77	Yes	Classified	Filing Cabinet
	2					Export Packing
U04/73301000	2	3,010.00	9/14/77	Yes	Classified	Filing Cabinet
	2					Export Packing
71463400	parts	250.52	9/8/77	No	Unclassified	Spacers, roller, cord, cable, Breaking Capacitor, Starting Capacitor, etc.
U04/73258401	2	3,384.00	8/17/77	Yes	Classified	Filing Cabinet
	2					Packing
U04/73258400	4	6,585.00	8/17/77	Yes	Classified	Filing Cabinet
	1					(4 drawer) Filing Cabinet two drawer
U01/73194600	15	13,125.00	5/6/77	Yes	Classified	Filing Cabinet
	15					Legal design Export Packing
U01/73194700	17	23,664.00	5/6/77	Yes	Classified	Filing cabinet
	17					key changeable lock Export Packing
U01/73166200	8	600.00	4/22/77	Yes	Classified	Chagge export
Admendment #1						packing speci-
		(new total 11,136.00)				fications
U0173137700						
Admendment #1	10	318.50	4/18/77	Yes	Classified	change export
		(new total 13,488.50)				packing

DIEBOLD

Approved For Release 2003/05/06 : CIA-RDP87-00558R000100040004-9

Order No.	Qty.	Amount	Date	FSS	Classification	Description
81283100	6	206.46	5/2/78	No	Unclassified	handle/escape mechanism
83193500	1	1,630.00	5/3/78	Yes	Unclassified	Security Container 4 drawer
U04/83152600	1	1,630.00	5/11/78	Yes	Classified	Filing Cabinet (4 drawer)
U04/83179500	17 17	23,206.70	4/18/78	Yes	Classified	Filing Cabinet Export Packing
U04/83164400	1 1	1,505.00	4/4/78	Yes	Classified	Filing Cabinet Export Packing
U04/83165900	17 17	23,206.70	4/4/78	Yes	Classified	Filing Cabinet Export Packing
U04/83158100	17	23,206.70	3/22/78	Yes	Classified	Filing Cabinet (4 drawer)
U04/83134700	17 17	23,206.70	3/8/78	Yes	Classified	Filing Cabinet Export Packing
U04/83090600	17	23,206.70	1/30/78	Yes	Classified	Filing Cabinet
U04/83044800	17 17	23,206.70	12/15/77	Yes	Classified	Filing Cabinet Export Packing
U04/73311100	17	23,885.00	9/29/77	Yes	Classified	Filing Cabinet (4 drawer)
U04/73306300	17	23,885.00	9/29/77	Yes	Classified	Filing Cabinet (4 drawer)
U04/73312100	18 18	15,768.00	9/30/77	Yes	Classified	Filing Cabinet (2 drawer) Export Packing

DIEBOLD

Approved For Release 2003/05/06 : CIA-RDP87-00558R000100040004-9 FSS  
Name means Yes No

Order No.	Qty.	Amount	Date	Open Market or FSS	Classification	Description
U04/83318800 Admendment #1	15	12,975.00	11/14/78	Yes	Classified	Export Packing
U04/83318800	15	11,921.70	9/18/79	Yes	Classified	Filing cabinet (2 drawer)
U04/83299300	11	132.00	8/16/78	Yes	Classified	Tray, drawer, for filing cabinet
U04/83301000	1	1,330.00	8/16/78	Yes	Classified	Security Container (4 drawers)
U04/83301000	1	75.00	8/16/78	Yes	Classified	Export Packing
U04/83301000	3	300.00	8/16/78	Yes	Classified	Combination locks
U04/83235700 A#1	17	13,787.00	7/14/78	Yes	Classified	Same(correct unit price)
U04/83235700 A#1	17	1,105.00	7/14/78	Yes	Classified	Export Packing
Less 2%		275.74				
New total amt		14,616.26				
U04/83235700	17	14,594.16	6/28/78	Yes	Classified	Filing cabinet (2 drawer)
U04/83180300	1	1,430.00	5/31/78	Yes	Classified	Filing Cabinet
U04/83223900	17	21,931.70	6/13/78	Yes	Classified	Filing Cabinet
U04/83223900	17	1,275.00	6/13/78	Yes	Classified	Export Packing
83230200	1	920.00	6/6/78	yes	unclassified	filing cabinet (2 drawer)
U04/83014300	2	147.00	10/27/77	Yes	Classified	Weapons Drawer
	1					Pistol Rack Insert
	1					Divider Insert

Approved For Release 2003/05/06 : CIA-RDP87-00558R000100040004-9



Approved For Release 2003/05/06 : CIA-RDP87-00558R000100040004-9

ORDER No.	Qty.	Amount	Date	FSS or	Classification	Description
91216200	2	733.70	3/29/79	No	Unclassified	Power File Drive Mot.
91216200	4	87.50	3/29/79	No	Unclassified	Power File Safety Module
91315800	15	12,612.60	3/26/79	Yes	Classified	Filing Cabinet/w combination lock
93161000	1	858.00	3/26/79	Yes	Classified	Security Container (2 drawer)
93161000	1	100.00	3/26/79	Yes	Classified	2nd drawer
93057800	17	24,459.94	1/10/79	Yes	Classified	Filing Cabinet
91058700		243.20	1/29/79	No	Unclassified	Security Container parts
93035100	17	24,459.94	1/19/79	Yes	Classified	Filing Cabinet
91055600	2	175.00	12/11/78	No	Unclassified	Safety Module
91055600	1	336.98	12/11/78	No	Unclassified	Power File.
93038400	17	24,459.94	12/13/78	Yes	Classified	Pan Assembly
U04/93063300	17	24,459.94	12/13/78	Yes	Classified	Power File.
U04/83319000	17	1,275.00	11/14/78	Yes	Classified	Filing Cabinet (4 drawer)
Amendment #1	17	21,931.00	9/18/78	Yes	Classified	Filing Cabinet (4 drawer)
U04/83319000	17	11,275.00	11/14/78	Yes	Classified	Export Packing
U/04/833202	17	21,931.70	9/22/78	Yes	Classified	Filing Cabinet (4 drawers)
Admendment #1	17				Classified	Export Packing
Uo4/83320200	17				Classified	Filing Cabinet 4 drawers

ART METAL Incopen Mkt (80)  
FSS-(gr)

Page-1

<u>Order #</u>	<u>Quantity</u>	<u>Cost</u>	<u>Date</u>	<u>FSS</u>	<u>Classification</u>	<u>Description</u>
93051800	1	146.00	26 Dec 78	FSS	Un	Lateral Filing Cabinet
93292600	8	1,928.00	29 Dec 78	FSS	Un	Conserv-a-Filo - 5 tier
83312600	40	9,585.00	12 Sept 78	FSS	Un	Roll-out Conserv-a-Filo - 5 tier
83314700	1	231.00	7 Sept 78	FSS	Un	Conserv-a-Filo 5 tier
83305900	2	482.00	29 Aug 78	FSS	Un	" "
83297900	1	158.00	21 Aug 78	FSS	Un	Lateral Filing Cabinet - 3 tier
83281200	5	1,115.00	14 Aug 78	FSS	Un	Roll-out Conserv-a-Filo - 5 tier
	7	1,687.00	"	"	"	Size 1
	2	482.00	"	"	"	Size 2
	1	210.00	"	"	"	Size 3
	1	241.00	"	"	"	Size 2
83293000	2	426.00	10 Aug 78	"	"	Lateral - 5 tier Cabinet Size 1
83218900	1	231.00	9 Aug 78	"	"	" Size 2
83273000	7	1,617.00	1 Aug 78	"	"	5 tier Lateral Filo
83265700	6	1,386.00	1 Aug 78	"	"	5 tier Lateral Filo

Order #	Quantity	Unit	Date	O.M. or FSS	Classification	Description
83253700	4	852.00	30 June 78	FSS	Un-	Crossed-a-Fib
83253600	8	1,704.00	30 June 78	"	"	" " "
83246200	3	693.10	30 June 78	"	"	Lateral Fib - 5 tier
	2	274.00	"	"	"	" " - 3 tier
83233300	1	164.00	29 June 78	"	"	" " - 3 tier
83225100	3	465.00	30 June 78	"	"	" " - " "
83207800	1	231.00	30 June 78	"	"	" " - 5 tier
83245700	8	1,848.00	29 June 78	"	"	" " - " "
83231200	1	213.00	29 June 78	"	"	" " - " "
83236200	1	156.00	12 June 78	"	"	" " - 4 tier Size 3

CV/NAME: MOSLER SAFE COMPANY MOSLER RESEARCH PRODUCTS  
CV/ADDR: 1401 WILSON BLVD  
CV/CITY: ARLINGTON  
CV/STATE: VA

Approved For Release 2003/05/06 : CIA-RDP87-00558R000100040004-9

RET/CN	HC/SCOPE	HC/ATOT	HC/PR/UNIT
0.....	0.....	0.....	0.....
68*1003909*000	ALARM SET	3750.00	PD/GP
68*4003942*000	ULTRASONIC ALARM SYSTEM	3541.00	PD/P&S
67*1028245*000	PANELS	3488.00	PD/GP
67*4002988*000	FIRE DETECTN & SECURITY ALARM	35000.00	PD/P&S
COMPLETED 427362.000	STATUS 4.4		

CNTRACTR/VNDR: 00626C  
CV/NAME: MOSLER SAFE COMPANY  
CV/ADDR: 1561 GRAND BLVD  
CV/CITY: HAMILTON  
CV/STATE: OH

CV/ICN: 72\*0009603\*000  
COMPLETED 427374.000 STATUS 1.1

RET/CN	HC/SCOPE	HC/ATOT	HC/PR/UNIT
0.....	0.....	0.....	0.....
72*0009603*000	ENG MODEL OF IMPLANT SAFE	7925.00	OTS/P
COMPLETED 427384.000	STATUS 1.1		

CNTRACTR/VNDR: 00626U  
CV/NAME: MOSLER GOVERNMENT SALES  
CV/ADDR: 1401 WILSON BLVD  
CV/CITY: ARLINGTON  
CV/STATE: VA

CONTRACT	CN/SCOPE	CN/ATOT	CN/PR/UNIT
0.....	0.....	0.....	0.....
77*0103440*000	SAFE, DESIGNED FOR KG-34 GENERATOR	22510.00	PD/GP
78*0110495*000	FILING CABINETS-CLASS B MAP & PLAN FILE	36900.00	PD/GP
78*0113030*000	SAFE, KG-34 (SPECIAL SIZE)	13506.00	PD/GP
COMPLETED 427414.000	STATUS 3.4		

Approved For Release 2003/05/06 : CIA-RDP87-00558R000100040004-9

CINACTR/VINDH: 00626A

Approved For Release 2003/05/06 : CIA-RDP87-00558R000100040004-9

CV/NAME: MOSLER SAFE COMPANY MOSLER ELECTRONIC SYSTEMS DIV

CV/ADDR: 1401 WILSON BLVD

CV/CITY: ARLINGTON

CV/STATE: VA

RET/CN	RC/SCOPE	MC/ATOT	MC/PR/UNIT
0.....	0.....	0.....	0.....
69*4002747*000	SECURITY BOX <i>destroyed</i>	12277.00	PD/P&S
72*1003325*000	SECURITY CABINETS CLASS 6 <i>destroyed</i>	65216.00	PD/GP
70*0005535*000	CLASS 6 SECURITY FILING CABINETS <i>destroyed</i>	59011.00	PD/GP
72*0022133*000	MOSLER SAFES - MODIFIED	12415.00	PD/P&S
69*1002548*000	VAULT DOOR	9814.00	PD/GP
71*0005701*000	FILING CABINETS SECURITY <i>destroyed</i>	34546.00	PD/GP
71*1002012*000	VAULT DOOR	6972.00	PD/GP
72*1002633*000	ALARM MONITOR MODEL AL-31	0.00	PD/GP
70*1002543*000	VAULT DOOR & FLANGE SETS	8412.00	PD/GP
70*0005400*000	FILING CABINET <i>destroyed</i>	63508.00	PD/P&S
70*1012585*000	SHELF FILING	3271.00	PD/GP
68*2000133*000	REPAIR SERVICE FOR GOVT OWNED EQUIPMENT	3500.00	PD/GP
79*0011274*000	FILING CABINETS	56402.00	PD/P&S
71*1001697*000	VAULT DOOR	6470.00	PD/GP
72*0002212*000	ALARM MONITOR	5000.00	PD/GP
72*0002212*000	COMBINATION LOCK CABINET <i>destroyed</i>	50430.00	PD/P&S
73*1011114*000	SECURITY FILE CABINET	56402.00	PD/GP
69*0004601*000	CL 5 MAP & PLAN CABINET W/SPECL INTERIOR	23795.00	PD/GP
69*1002948*000	VAULT DOOR	8412.00	PD/GP
72*1005726*000	VAULT DOORS	3486.00	PD/GP
71*0009010*000	CABINETS SECURITY MAP & PLAN <i>destroyed</i>	26680.00	PD/GP
73*0011132*000	SECURITY FILE CABINET	56401.00	PD/GP
69*1021524*000	SPECIAL VAULT DOORS	11660.00	PD/GP
70*0012025*000	FILING CABINET	26325.00	PD/P&S
70*1002714*000	VAULT DOOR & FLANGES	7010.00	PD/GP
72*1001631*000	VAULT DOORS & FLANGES	11620.00	PD/GP
71*1002571*000	DOOR VAULT	5810.00	PD/GP
71*0009008*000	SECURITY CABINETS CLASS 6 <i>destroyed</i>	66500.00	PD/GP
69*0003121*000	INTRUSION ALARM SYSTEM <i>BLUG</i>	4509.00	PD/P&S
72*1001701*000	ALARM MONITOR	3000.00	PD/GP
70*0002003*000	ALARM MONITOR MODEL AL-31	10000.00	PD/GP
72*0009317*000	DOOR VAULT FLANGE SETS	57742.00	PD/P&S
72*1003796*000	SAFE CLASS 5	15808.00	PD/GP
71*1002556*000	ALARM MONITOR MODEL A-31	3000.00	PD/GP
71*1003104*000	VAULT DOOR & FLANGE SETS	4684.00	PD/GP
73*0009975*000	SAFES <i>order</i>	25186.00	PD/P&S

COMPLETED 427247.000

STATUS 36.83

Approved For Release 2003/05/06 : CIA-RDP87-00558R000100040004-9

OPENING STATEMENT BY D/L BEFORE SUBCOMMITTEE  
ON FEDERAL SPENDING PRACTICES AND OPEN GOVERNMENT

13 June 1979

1. Notwithstanding the many instances of truly outstanding and professional support provided to the Agency by the Federal Supply Service (FSS) of the General Services Administration (GSA), there has been one area of long-standing and serious disagreement regarding the products and services provided. Specifically, this disagreement concerns the acquisition of security filing cabinets (safes) for use by this Agency both domestically and abroad. GSA has contended, since early 1964 and until recently, that safes provided by the Hillside (now Art Metal) Company generally comply with appropriate Federal specifications while this Agency and several other agencies have maintained that such safes rarely conform to requirements of the appropriate specifications. GSA has further maintained, since the mid-1960's, that a single-award contract should be established for such safes, while this Agency, the Interagency Advisory Committee on Security Equipment, and several other agencies have maintained that it is not in the best interests of the Federal Government to make a single-award contract. Art Metal was frequently mentioned by GSA officials as the probable or actual recipient of such an award. Our experience with GSA in these areas is summarized in this statement. Correspondence between this Agency and GSA, test reports, minutes of interagency meetings, and other documentation supporting the statements contained herein have been made available to subcommittee staff members.

2. The first area of concern is the conformance of Art Metal's safes with Federal Specifications AA-F-358e and precedent and subsequent version thereof. The concern is for both the safety of individuals using this equipment and the capability of this equipment to provide secure storage for classified documents. Agency records indicate that as early as 1964 a number of Art Metal safes were provided by GSA and were totally rejected as failing to meet

applicable specifications. Records indicating the number of safes provided and the specific areas in which they failed to conform to the specifications have not been located. However, in September of 1969 an additional 130 Art Metal Class 6 safes were provided by GSA. Independent examinations of these safes by Agency inspectors, inspectors of GSA, and Department of Defense (DoD) inspectors, all clearly showed that the safes failed to meet personal safety and security specifications. Documentation from this period clearly indicates an inability on the part of GSA to have the deficiencies corrected by Art Metal and also suggests that informal pressure was applied by GSA to have the Agency accept the safes without insisting that all provisions of the specifications be met. As a result of these pressures, the Agency ultimately accepted the safes with only some corrections to deficiencies having been made. In November of that same year another 60 Hillside Class 5 safes were received by the Agency, and our experience with the correction of defects and GSA pressures to accept the safes was basically a repeat of that described above. As a result of these experiences, the Agency took steps to ensure that the safes of other manufacturers were procured for use by the Agency. This act in itself generated additional pressure from GSA to accept Art Metal safes; and, in response thereto, in 1975 the Agency ordered several additional Hillside safes for evaluation. These safes, too, failed to meet Federal specifications; and since that date, no further Art Metal safes have been accepted for use by this Agency. Those safes which were accepted by the Agency in earlier years were restricted in use to domestic installations only, where the level of security protection is considerably higher than that normally provided outside the United States.

3. The second area of disagreement with GSA concerned GSA's proposed designation of a single-award contractor for all safes. GSA made strenuous efforts in this direction in 1965 and again in 1974, with somewhat less pressure being applied along these lines in intervening years. The objection of this and other agencies, as well as the Interagency Advisory Committee on Security Equipment, to such a move was based on the following considerations:

a. That multiple-award contracts create maximum competition between the few major safe manufacturers whose products are sold primarily to the Government and afford flexibility to purchase the product of another manufacturer should the product of one manufacturer be found deficient or be found to have been compromised.

b. That should fire, flood, or other act of God affect the single-award contractor, it was unlikely that other sources would be available since those companies who did not get the award would, in all probability, cease the manufacture of such safes, the Government being the chief buyer.

c. Agencies such as our own, DoD, and the Department of State have to provide safe maintenance and repair services on a worldwide basis and for that reason it is imperative that spare parts and technical assistance be readily available. Art Metal, frequently suggested as the single-award contractor, had never demonstrated that they had such a capability.

d. Personal safety of our employees and the security of classified information were of the utmost importance and the contractor consistently suggested as the single-award contractor, i.e., Art Metal, rarely met the required Federal specifications in these areas.